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DEPARTMENT OF COMMERCE

International Trade Administration

[A-469-815]

**Finished Carbon Steel Flanges from Spain: Preliminary Results of Antidumping Duty
Administrative Review; 2017-2018**

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that producers or exporters of finished carbon steel flanges (flanges) from Spain subject to this review made sales of subject merchandise at less than normal value during the period of review (POR) February 8, 2017 through May 31, 2018. We invite interested parties to comment on these preliminary results.

DATES: Applicable **[INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

FOR FURTHER INFORMATION CONTACT: Mark Flessner, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-6312.

SUPPLEMENTARY INFORMATION:

Background

On June 14, 2017, we published in the *Federal Register* an antidumping duty (AD) order on flanges from Spain.¹ On June 1, 2018, we published a notice of opportunity to request an administrative review of the *Order*.² Based on timely requests for administrative review, we initiated an administrative review of six companies: (1) ULMA Forja, S.Coop (ULMA); (2) Grupo Cunado; (3) Tubacero, S.L.; (4) Ateaciones De Metales Sinterizados S.A.; (5) Transglory S.A.; and (6) Central Y Almacenes.³ On September 25, 2018, we selected ULMA as the sole mandatory respondent in this review.⁴ For a complete description of the events that followed the initiation of this administrative review, *see* the Preliminary Decision Memorandum.⁵ The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's AD and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the Internet at <http://enforcement.trade.gov/frn/>. The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content. A list of topics included in the Preliminary Decision Memorandum is included as the appendix to this notice.

¹ See *Finished Carbon Steel Flanges from Spain: Antidumping Duty Order*, 82 FR 27229 (June 14, 2017) (*Order*).

² See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 83 FR 25429 (June 1, 2018).

³ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 83 FR 39688 (August 10, 2018).

⁴ See Memorandum, "Selection of Respondents for the 2017-2018 Administrative Review of the Antidumping Duty Order on Finished Carbon Steel Flanges from Spain," dated September 25, 2018.

⁵ See Memorandum, "Finished Carbon Steel Flanges from Spain: Decision Memorandum for Preliminary Results of Antidumping Duty Administrative Review; 2017-2018," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

Commerce exercised its discretion to toll all deadlines affected by the partial federal government closure from December 22, 2018 through the resumption of operations on January 29, 2019.⁶ If the new deadline falls on a non-business day, in accordance with Commerce's practice, the deadline will become the next business day. On March 15, 2019, we extended the deadline for the preliminary results by 120 days.⁷ The revised deadline for these preliminary results is now August 9, 2019.

Scope of the Order

The scope of the *Order* covers finished carbon steel flanges. Finished carbon steel flanges are currently classified under subheadings 7307.91.5010 and 7307.91.5050 of the Harmonized Tariff Schedule of the United States (HTSUS). They may also be entered under HTSUS subheadings 7307.91.5030 and 7307.91.5070. The HTSUS subheadings are provided for convenience and customs purposes; the written description of the scope is dispositive. A full description of the scope of the *Order* is contained in the Preliminary Decision Memorandum.

Methodology

Commerce conducted this review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act). Export price is calculated in accordance with section 772 of the Act. Normal value is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying these preliminary results, *see* the Preliminary Decision Memorandum.

Preliminary Results of Administrative Review

⁶ See Memorandum to the Record from Gary Taverman, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Partial Shutdown of the Federal Government," dated January 28, 2019. All deadlines in this segment of the proceeding have been extended by 40 days.

⁷ See Memorandum, "Finished Carbon Steel Flanges from Spain: Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review, 2017-2018," dated March 15, 2019.

We preliminarily determine that the following weighted-average dumping margins exist for the period February 8, 2017 through May 31, 2018:

Exporter/Manufacturer	Weighted-Average Dumping Margin (percent)
ULMA Forja, S.Coop	4.40
Grupo Cunado	4.40
Tubacero, S.L.	4.40
Ateaciones De Metales Sinterizados S.A.	4.40
Transglory S.A.	4.40
Central Y Almacenes	4.40

All-Others Rate

For the rate for non-selected respondents in an administrative review, generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a market economy investigation. Under section 735(c)(5)(A) of the Act, the all-others rate is normally “an amount equal to the weighted-average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely {on the basis of facts available}.” In this segment of the proceeding, we calculated a margin for ULMA that was not zero, *de minimis*, or based on facts available. Accordingly, we have preliminarily applied the margin calculated for ULMA to the non-individually examined respondents.

Disclosure and Public Comment

We intend to disclose the calculations performed for these preliminary results to the parties within five days after public announcement of the preliminary results in accordance with 19 CFR 351.224(b). Interested parties may submit case briefs no later than 30 days after the date

of publication of these preliminary results of review.⁸ Rebuttal briefs may be filed no later than five days after case briefs are due and may respond only to arguments raised in the case briefs.⁹ Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue, (2) a brief summary of the argument, and (3) a table of authorities.¹⁰

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS. An electronically filed document must be received successfully in its entirety by Commerce's electronic records system, ACCESS, by 5:00 p.m. Eastern Time within 30 days after the date of publication of this notice.¹¹ Requests should contain: (1) the party's name, address and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case briefs.

Unless otherwise extended, Commerce intends to issue the final results of this administrative review, which will include the results of its analysis of issues raised in any briefs, within 120 days of publication of these preliminary results of review, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rate

Upon issuing the final results, Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by this

⁸ See 19 CFR 351.309(c)(ii).

⁹ See 19 CFR 351.309(d).

¹⁰ See 19 CFR 351.309(c)(2) and (d)(2).

¹¹ See 19 CFR 351.310(c).

review.¹² If the respondent's weighted-average dumping margin is above *de minimis* (i.e., 0.50 percent) in the final results of this review, we intend to calculate an importer-specific assessment rate on the basis of the ratio of the total amount of antidumping duties calculated for the importer's examined sales and the total entered value of the sales in accordance with 19 CFR 351.212(b)(1).¹³ If the respondent's weighted-average dumping margin is zero or *de minimis* in the final results, we will instruct CBP not to assess duties on any of its entries in accordance with the *Final Modification for Reviews*.¹⁴ The final results of this administrative review shall be the basis for the assessment of antidumping duties on entries of merchandise under review and for future deposits of estimated duties, where applicable.

For entries of subject merchandise during the POR produced by ULMA for which it did not know its merchandise was destined for the United States, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.

We intend to issue liquidation instructions to CBP 15 days after publication of the final results of this review.

Cash Deposit Requirements

The following deposit requirements for estimated antidumping duties will be effective upon publication of the notice of final results of this review for all shipments of flanges from Spain entered, or withdrawn from warehouse, for consumption on or after the date of publication as provided by section 751(a)(2) of the Act: (1) the cash deposit rate for the companies under review, will be the rate established in the final results of the review (except, if the rate is zero or

¹² See 19 CFR 351.212(b)(1).

¹³ In these preliminary results, Commerce applied the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification*, 77 FR 8101 (February 14, 2012) (*Final Modification for Reviews*).

¹⁴ *Id.*, 77 FR at 8102.

de minimis, no cash deposit will be required); (2) for merchandise exported by producers or exporters not covered in this review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the original investigation but the producer is, the cash deposit rate will be the rate established for the most recent period for the producer of the merchandise; (4) the cash deposit rate for all other producers or exporters will continue to be 18.81 percent,¹⁵ the all-others rate established in the less-than-fair-value investigation.

These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Administrative Protective Orders

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

¹⁵ See Order, 82 FR 27229.

Notification to Interested Parties

Commerce is issuing and publishing these results in accordance with sections 751(a)(1) and 777(i) of the Act and 19 CFR 351.221(b)(4).

Dated: August 7, 2019.

Jeffrey I. Kessler,

Assistant Secretary

for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Discussion of the Methodology
- V. Recommendation

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